

Message Text

LIMITED OFFICIAL USE

PAGE 01 MADRID 02255 041332Z

70

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 STR-04 AGR-05 CEA-01 CIAE-00

COME-00 DODE-00 FRB-03 H-02 INR-07 INT-05 L-02 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 TAR-01

TRSE-00 USIA-06 PRS-01 SP-02 OMB-01 FEA-01 SIL-01

OIC-02 SAM-01 /096 W

----- 113800

R 031814Z APR 75

FM AMEMBASSY MADRID

TO SECSTATE WASHDC 1471

LIMITED OFFICIAL USE MADRID 2255

E.O. 11652: N/A

TAGS: ETRD, SP

SUBJECT: SPANISH REACTION TO GSP ANNOUNCEMENT

REF STATE 66541; STATE 66492

1. THE REACTION OF SPANISH MEDIA TO PRESIDENT FORD'S ANNOUNCEMENT OF BENEFICIARY COUNTRIES FOR GSP HAS BEEN ACERBIC. NOTING SPAIN'S INCLUSION TOGETHER WITH OPEC COUNTRIES ON LIST OF COUNTRIES (STATE 66541) UNDER CONSIDERATION FOR DESIGNATION AS BENEFICIARIES, SOME LOCAL PRESS CONCLUDED IT CONSTITUTED A "BLACK LIST." SPAIN'S INCLUSION SHOWED U.S. INTENTION DISCRIMINATE AGAINST SPANISH EXPORTS AND THAT SPANISH EXCLUSION FROM GSP WAS FAIT ACCOMPLI. IN COMMENTING ON THE SITUATION ALL PRESS TREATMENT POINTED UP SPAIN'S LARGE TRADE DEFICIT WITH U.S. AND IMPOSITION OF COUNTER-VAILING DUTIES PLACED ON SPANISH SHOES AND OLIVES LAST YEAR, IMPLYING THAT FAILURE ACCORD SPAIN GSP TREATMENT

IS PART AND PARCEL OF U.S. TRADE POLICY DESIGNED TO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MADRID 02255 041332Z

PERPETUATE EXISTING IMBALANCE.

2. SEVERAL OF THE MAJOR DAILIES SEEMINGLY VIED WITH EACH OTHER IN USE OF INTEMPERATE LANGUAGE. ARRIBA, ORGAN OF THE MOVIMIENTO NACIONAL, REVIEWED RECENT TRADE RELATIONS WITH THE U.S. AND CONCLUDED RHETORICALLY "WITH ALLIES LIKE THIS, WHO WANTS ENEMIES?" ABC, NORMALLY THE MOST MODERATE OF MADRID PAPERS, WOUND UP A LENGTHY EDITORIAL ON THE SUBJECT WITH "IT DOES NOT SEEM LOGICAL THAT WE CAN PERMIT OURSELVES THE LUXURY OF HAVING FRIENDS AND ALLIES THAT COOPERATE SO DECISIVELY TO MAKE LIFE HARDER FOR US, NOTABLY IN IMPOSING UPON US IN DISCRIMINATE FASHION A 90,000 MILLION PESETA DEFICIT. THIS IS A COURIOUS FRIENDSHIP."

3. MOST COMMENTARIES NOTED THAT NEGOTIATIONS ON A NEW AFC TREATY ARE ONGOING AND ABC CONTRASTED U.S. STATEMENTS ON THE STRATEGIC IMPORTANCE OF SPAIN TO WESTERN DEFENSE WITH THE "DISCRIMINATION" SHOWN SPAIN ON BILATERAL TRADE ISSUES.

4. INFORMAL EMBASSY EFFORTS TO OBTAIN ISSUANCE OF CLARIFYING STATEMENTS FROM MINISTRY OF FOREIGN AFFAIRS WERE UNAVAILING SINCE LAST WEEK WAS HOLY WEEK AND MFA OFFICIALS WERE EITHER ON LEAVE OR PREOCCUPIED WITH VACATION PLANS. LATER, HOWEVER, REPORTING BY SPANISH CORRESPONDENTS IN U.S. ACQUIRED MORE BALANCED AND FACTUAL TONE, PERHAPS AS RESULT OF MFA EXPRESSION OF CONCERN OVER TOO-PRONOUNCED SLANT. ALSO LOCAL MEDIA CARRIED REASONABLY FACTUAL QUOTE FROM EMBOFF TO EFFECT THAT SPAIN'S ELIGIBILITY FOR GSP WAS STILL UNDER CONSIDERATION AND THAT SPAIN WAS CERTAINLY NOT ON ANY "BLACK LIST" WHICH TENDED MODERATE THE TONE OF PRESS TREATMENT.

6. COMMENT: ALTHOUGH ADVERSE REACTION HAS LARGELY BLOWN ITSELF OUT, WE CAN EXPECT THAT IT WILL BE RENEWED IN EVEN STRONGER TERMS IF DECISION GOES AGAINST GSP TREATMENT FOR SPAIN. THIS DESPITE FACT THAT RESPONSIBLE GOS OFFICIALS ARE PROBABLY AWARE THAT SPAIN IS UNLIKELY BE ACCORDED SUCH PREFERENTIAL TREATMENT (DIRECTOR LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MADRID 02255 041332Z

GENERAL OF INTERNATIONAL ECONOMIC AFFAIRS, IN MFA RECENTLY ADMITTED AS MUCH TO DCM). IN ADDITION, IN CONVERSATIONS WITH OTHER GOS OFFICIALS IT IS APPARENT THAT THEY HAVE NO VERY CLEAR IDEA OF HOW MUCH (OR HOW LITTLE) SUCH TREATMENT WOULD MEAN FOR SPANISH EXPORTS. ONE CONCLUSION, OF COURSE, IS THAT GOS MAY FIND ISSUE OF POTENTIAL UTILITY IN AFC NEGOTIATIONS AND WE MAY FIND TRADE ISSUES ASSUMING A GREATER ROLE IN THEM. A

FURTHER POSSIBILITY IS THAT GSP ISSUE IS CONVENIENT ONE
TO JUSTIFY POSSIBLE FUTURE GOS ACTIONS TO IMPOSE IMPORT
RESTRAINTS. WE WILL CONTINUE TO SEEK OPPORTUNITIES IN
OUR CONVERSATIONS WITH MFA OFFICIALS AND OTHERS TO
CLARIFY THE FACTS OF THE GSP SITUATION.
STABLER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE LAW, PRESS COMMENTS, GENERALIZED PREFERENCES (TARIFFS), GOVERNMENT REACTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: SmithRJ
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975MADRID02255
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750117-0901
From: MADRID
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750486/aaaadacy.tel
Line Count: 121
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 66541, 75 STATE 66492
Review Action: RELEASED, APPROVED
Review Authority: SmithRJ
Review Comment: n/a
Review Content Flags:
Review Date: 13 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13 JUN 2003 by SmithRJ>; APPROVED <27 OCT 2003 by SmithRJ>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SPANISH REACTION TO GSP ANNOUNCEMENT
TAGS: ETRD, SP, US
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006